

AMENDED IN ASSEMBLY APRIL 30, 2009

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 367

Introduced by Assembly Members Galgiani and Audra Strickland

February 23, 2009

An act to amend Section 16531.1 of the Government Code, and to repeal Section 14041.1 of the Welfare and Institutions Code, relating to Medi-Cal, ~~and making an appropriation therefor~~ *therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 367, as amended, Galgiani. Medi-Cal: HIV drug treatment: developmental services: provider reimbursement.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons.

Existing law creates the continuously appropriated Medical Providers Interim Payment Fund, for the purposes of paying Medi-Cal providers, providers of drug treatment services for persons infected with HIV, and providers of services for the developmentally disabled, on and after July 1, and before September 1, of the fiscal year for which a budget has not yet been enacted or there is a deficiency in the Medi-Cal budget in any fiscal year, and appropriates, for each fiscal year in which these payments are necessary, up to \$1,000,000,000 from the General Fund, in the form of loans, and \$1,000,000,000 from the Federal Trust Fund to the Medical Providers Interim Payment Fund.

This bill would, instead, provide that these transfers to the Medical Providers Interim Payment Fund shall be in an amount sufficient to make continued payments to the above-described providers *on or after July 1 of the fiscal year for which no budget has been enacted until the date upon which a budget is enacted for that year or when there is a deficiency in the Medi-Cal budget*. To the extent that the bill would increase the amount transferred into a continuously appropriated fund, this bill would make an appropriation.

Under existing law, notwithstanding any other provision of law, and to the extent not otherwise conflicting with federal law, the department is authorized to hold, or direct the medical fiscal intermediary for the Medi-Cal program to hold, payments for Medi-Cal providers, as described, for a period of one month for a month ending prior to June 30, 2009.

This bill would delete the above provisions.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 16531.1 of the Government Code is
2 amended to read:

3 16531.1. (a) Notwithstanding any other provision of law and
4 without regard to fiscal year, if the annual State Budget is not
5 enacted by June 30 of any fiscal year preceding the fiscal year to
6 which the budget would apply or there is a deficiency in the
7 Medi-Cal budget during any fiscal year, both of the following shall
8 occur:

9 (1) (A) The Controller shall transfer from the General Fund,
10 in the form of one or more loans, an amount sufficient to make
11 continued payments to Medi-Cal providers, providers of services
12 under Chapter 6 (commencing with Section 120950) of Part 4 of
13 Division 105 of the Health and Safety Code, and providers of
14 services under Division 4.5 (commencing with Section 4500) of
15 the Welfare and Institutions Code, to the Medical Providers Interim
16 Payment Fund, which is hereby created in the State Treasury.
17 Notwithstanding Section 13340, the Medical Providers Interim
18 Payment Fund is hereby continuously appropriated without regard

1 to fiscal year for the purpose of making payments in either of the
2 following ways:

3 (i) On or after July 1 of the fiscal year for which no budget has
4 been enacted, and until the date upon which a budget is enacted
5 for that year, to Medi-Cal providers, providers of services under
6 Chapter 6 (commencing with Section 120950) of Part 4 of Division
7 105 of the Health and Safety Code, and providers of services under
8 Division 4.5 (commencing with Section 4500) of the Welfare and
9 Institutions Code.

10 (ii) During the period in which the Medi-Cal program has a
11 deficiency, to Medi-Cal providers.

12 (B) Payments shall be made pursuant to this subdivision if both
13 of the following conditions have been met:

14 (i) An invoice has been submitted for the services.

15 (ii) Payment for the services is due and payable and the State
16 Department of Health Care Services determines that payment
17 would be valid.

18 (2) For any fiscal year to which this subdivision applies, there
19 is hereby appropriated an amount of money that is sufficient to
20 make additional continued payments to the providers described in
21 paragraph (1) of subdivision (a) on or after July 1 of the fiscal year
22 in which no budget has been enacted and until the date upon which
23 a budget is enacted for that year, or during the period in which the
24 Medi-Cal program has a deficiency, from the Federal Trust Fund
25 to the Medical Providers Interim Payment Fund.

26 (b) Upon the enactment of the annual Budget Act or a deficiency
27 bill in any fiscal year to which subdivision (a) applies, the
28 Controller shall transfer all expenditures and unexpended funds
29 in the Medical Providers Interim Payment Fund to the appropriate
30 Budget Act item.

31 (c) The amount of any loan made pursuant to subdivision (a)
32 and for which moneys were expended from the Medical Providers
33 Interim Payment Fund shall be repaid by debiting the appropriate
34 Budget Act item in accordance with the procedure prescribed by
35 the Department of Finance.

36 SEC. 2. Section 14041.1 of the Welfare and Institutions Code
37 is repealed.

38 SEC. 3. *This act is an urgency statute necessary for the*
39 *immediate preservation of the public peace, health, or safety within*

1 *the meaning of Article IV of the Constitution and shall go into*
2 *immediate effect. The facts constituting the necessity are:*
3 *In order to immediately protect those California residents who*
4 *rely on Medi-Cal providers to deliver health care services in a*
5 *continuous manner, including individuals receiving services from*
6 *providers who care for the elderly, persons with disabilities,*
7 *including those with developmental disabilities, and persons*
8 *infected with HIV who depend on providers of drug treatment*
9 *services, by ensuring that the providers of these important services*
10 *continue to receive state funding, it is necessary that this act take*
11 *effect immediately.*

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